

Medicaid Qualifications for Married Individuals

Prior to September 30, 1989, when one spouse entered a nursing home the spouse who remained at home had to spend down almost all resources and lost the income of the institutionalized spouse to pay for care. The spouse at home, known as the "Community Spouse", was often impoverished. The federal Medicare Catastrophic Coverage Act passed in 1988 added spousal income and resource protections for those who began a continuous period of nursing home residence on or after September 30, 1989.

At the present time when a married individual makes an application for nursing home Medicaid this provision is used to determine:

- **Community Spouse Resource Allowance (CSRA).**
- **Community Spouse Monthly Income Allowance (MIA)**

COMMUNITY SPOUSE RESOURCE ALLOWANCE (CSRA)

The Community Spouse Resource Allowance determines when the institutionalized spouse will become eligible for Medicaid based on the assessment of a couple's resources. Resources are combined and totaled, regardless of how they are titled, or where they came from (inheritance), whether in the husband's name only, in the wife's name only, or in both names.

There is a maximum amount of resources that the community spouse is allowed to keep. This figure changes in January of each year. The assessment is based on the original date of application, using the figures applicable at that time. This is called the Community Spouse Resource Allowance. This figure is \$109,560 in 2009.

Community Spouse Resource Allowance Calculation

The couple's **non-exempt resources** are combined and totaled. In Colorado the calculation is as follows:

- All non-exempt resources owned by the couple are totaled, making a "pot."
- In Colorado the community spouse is allowed to keep the amount of resources determined by the CSRA figure. This is \$109,560 for 2009. (This may be different in other states.)
- The applicant spouse is allowed to keep \$2,000.

If the couple's "pot" of non-exempt resources is below \$111,560 (\$109,560+ \$2,000) the nursing home spouse is Medicaid resource eligible. An application should be started immediately, whether individual is at home or in a nursing home. In this instance the applicant will be considered "Medicaid Pending" when the application is made. When choosing a nursing home or Assisted Living facility, ask if the applicant can enter on a "pending" status.

A nursing home may accept an individual on "Medicaid Pending" status. This means that the nursing facility will not require the full nursing home payment during the application process, until eligibility has been approved. If there is a spouse at home, no payment will be required until the application is completed. There may be a retroactive patient payment due the nursing home once the application is completed, depending on the remainder income of the applicant after the monthly income allowance is paid to the spouse at home.

A nursing home does not have to accept the "pending" status, and may require full payment until the application is approved. Once the individual is approved for Medicaid, this advance payment may be refunded by the nursing home if Medicaid eligibility is determined to be retroactive. The Medicaid application must have been made upon entry to the nursing home, and all eligibility requirements met at that time.

If a nursing home requires that an application be started prior to entrance, an application is made through the Single Entry Point agency in the county where the individual resides. This may be a different county from the nursing home or assisted living facility, in which case the human service agency in the county where the home is located will transfer the completed application to the county human service agency where the nursing home or assisted living facility is located.

If the couple's resources are above the current CSRA amount, "spend-down" of resources over this amount will be required. Spend-down can include: private pay payment to the nursing home, purchase of a new or newer automobile for the community spouse, home repairs or updates, pay down a mortgage, etc. See Qualifying for Nursing Home Benefits for other allowable spend-down suggestions.

Some nursing homes and assisted living facilities have a waiting list for Medicaid residents or require the in-coming resident to pay the private pay rate for a period of time before they will accept Medicaid as the primary payor. This should be investigated up front to determine if paying for nursing home expenses is a necessary part of spend-down planning.

CSRA DETERMINATION

Example 1: Couple's Resources below CSRA amount

If the couple's "pot" of non-exempt resources is \$60,000 in 2009, the community spouse's CSRA is the entire \$60,000. There is no spend-down required. The nursing home spouse is asset eligible for Medicaid at this time if the medical and income requirements are met.

Example 2: Couple's Resources over the CSRA amount

If the couple's "pot" of non-exempt resources is \$130,000 in 2009, the community spouse is allowed to keep \$109,560. The nursing home spouse is allowed \$2,000. The couple must spend \$18,440 down to \$111,560 (\$109,560 + \$2,000) in order to qualify for Medicaid.

COMMUNITY SPOUSE MONTHLY INCOME ALLOWANCE (MIA)

The Monthly Income Allowance (MIA) is part of the spousal protection package guaranteeing the spouse at home a minimum monthly income. The Minimum Monthly Maintenance Needs Allowance (MMMNA) amount is used to determine how much, if any, of the institutionalized spouse's income can be used to support the community spouse. The contributed amount is called the Monthly Income Allowance. The calculation is done at the time of Medicaid application.

The Minimum Monthly Maintenance Needs Allowance (MMMNA) is a minimum "basic allowance" for the community spouse. This figure changes annually on July first of each year (\$1,751 until July 2009.) The community spouse's income is taken into account, as well as shelter costs, and medical costs. If these items are less than the minimum basic allowance, a Monthly Income Allowance amount will be determined by the eligibility technician to supplement this income. There is also a maximum allowance figure for the community spouse, which changes annually on January first of each year (\$2,739 in 2009).

To determine the Monthly Income Allowance amount needed by the community spouse, precise documentation of expenses is required. This includes mortgage or rental payments, condo fees, mobile home lot rental, property taxes, homeowners' insurance, utility bills, medical expenses and medical insurance costs.

Example 1: Couple's income below the basic allowance

Mrs. Brown's income is \$300 a month. Her institutionalized husband's income is \$850 a month, for a total household income of \$1,150 a month. Their combined income is below the Basic Allowance of \$1,751 (2009). In this case all of Mr. Brown's income will go to Mrs. Brown with the exception of the \$50 Personal Needs Allowance (PNA). Mrs. Brown will have \$1,100 to live on as long as she remains in the community. There is no patient payment to the facility.

Example 2: Couple's Income above the basic allowance with no extraordinary expenses

Mrs. Green's income is \$851 a month. Her institutionalized husband's income is \$1,400 a month. Mrs. Green's income is subtracted from the Basic Allowance of \$1,751 resulting in \$900 needed from Mr. Green to supplement her income. The patient payment to the nursing home is \$450 after \$50 is paid for his Personal Needs Allowance (PNA). Mrs. Green receives \$900 each month from Mr. Green's income, in addition to her \$851 income, for a total of \$1,751 to meet her expenses while living in the community.

Example 3: Community Spouse's expenses higher than the basic allowance

Mrs. White's income is \$800 a month. Her institutionalized husband's income is \$1,450 a month. Mrs. White's allowable expenses are determined by the eligibility technician to be \$1,900 a month, resulting from an \$800 rent payment and high household bills. Mrs. White's income of \$800 is subtracted from \$1,900 leaving \$1,100 to be paid from Mr. White's income for her Monthly Income Allowance. The patient payment to the nursing home is \$300 after \$50 is paid to Mr. White's Personal Needs Allowance (PNA). Mrs. White receives \$1,100 each month in addition to her own income of \$800, for a total of \$1,900.

Example 4: Community Spouse's income higher than the maximum basic allowance

Mr. Black's income is \$2,600 a month. His institutionalized wife's income is \$850 a month. Mr. Black will receive no income from his wife. He is allowed to keep all of his income. Mrs. Black will make a patient payment to the nursing home of \$800, and \$50 goes to her PNA.

The Monthly Income Amount in any of the examples above can be adjusted accordingly if the community spouse's expenses increase or decrease.